

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2651-02  
Bill No.: HB 1356  
Subject: Courts; Liability; Liens  
Type: Original  
Date: March 31, 2015

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Bill Summary: This proposal allows the state to collect from any punitive damage final judgment any amount in excess of \$500,000 to be deposited into the Tort Victims' Compensation Fund.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Tort Victims' Compensation Fund	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0 to Unknown</b>	<b>\$0 to Unknown</b>	<b>\$0 to Unknown</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

**Oversight** was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

Officials at the **Office of the Attorney General (AGO)** assume the AGO shall file a lien notice and file an appropriate petition to enforce the interest of the state in the punitive damage judgment. The AGO assumes that the costs associated with this proposal shall be absorbed with existing resources. The AGO may request additional appropriation if the AGO's caseload increases significantly.

Officials at the **Office of Prosecution Services**, the **Office of the State Courts Administrator** and the **Office of the State Public Defender** each assume no fiscal impact to their respective agencies from this proposal.

**Oversight** assumes the remaining amount of punitive damages awarded under this proposal will be distributed to the Tort Victims' Compensation Fund. Oversight is unclear on the amount that could be distributed to the fund and therefore will reflect a \$0 to unknown positive fiscal impact to this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
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### **TORT VICTIMS' COMPENSATION FUND**

<u>Revenue</u> - increase to fund from punitive damage award amounts above \$500,000	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>
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### **ESTIMATED NET EFFECT ON TORT VICTIMS' COMPENSATION FUND**

<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>
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FISCAL IMPACT - Local Government

FY 2016  
(10 Mo.)

FY 2017

FY 2018

\$0

\$0

\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

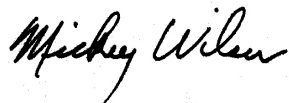
FISCAL DESCRIPTION

This bill specifies that the prevailing plaintiff in a torts case will receive 50% of the greater of \$500,000 or five times the actual damages. The remaining 50% is to be deposited into the Tort Victims Compensation Fund. Attorneys fees may not be deducted from this portion of the fee. This section does not apply to the State of Missouri when it is a plaintiff. The Attorney General is required to enforce the collection of the judgment.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the Attorney General  
Office of the State Courts Administrator  
Office of the State Public Defender  
Office of Prosecution Services



Mickey Wilson, CPA  
Director  
March 31, 2015

Ross Strobe  
Assistant Director  
March 31, 2015